

**MINUTES OF
MISSISSIPPI TORT CLAIMS BOARD
THURSDAY, NOVEMBER 8, 2018**

The Mississippi Tort Claims Board (Board) meeting was held at 2:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman

Goodwin, Aubrey Leigh, Deputy Director, MS Department of Finance & Administration,
Representing Executive Director Laura Jackson

Kelsey, Christina; Representing Insurance Commissioner Mike Chaney

Schmidt, Anthony; Representing Public Safety Commissioner Marshall Fisher

Williams, Michelle, Chief of Staff; Representing State Treasurer Lynn Fitch

Also present were:

Donaldson, Bruce; Tort Claims Board

Kelly, Trina; Tort Claims Board

Logan, Jim; Tort Claims Board

McElroy, Lea Ann; Tort Claims Board

Milner, Steve; Tort Claims Board

Rayburn, Amanda; Cannon Cochran Management Services Inc.

Smith, Dan; Attorney General's Office

Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mrs. Williams to approve the minutes of the September 13, 2018, meeting. Mrs. Kelsey seconded the motion, which passed unanimously.

There was no Old Business.

In New Business, Mrs. McElroy presented the 2019 schedule of Board meeting dates.

Mr. Logan presented the final report for fiscal year 2019 through October 31, 2018. We have received just over \$2.4 million in assessments, which is about 50% of the total assessment. Expenditures to-date are just over \$2 million. Total funds, including investments, are at \$15.2 million. Reserves are \$6.8 million, leaving unencumbered funds at \$8.4 million. We paid \$736,000 in claim payments and \$274,000 in legal expenses. Mr. Logan advised that the Average Claim Paid for the period is just over \$3,000 and Average Reserve is staying around \$12,000. Looking at the Budget Comparison Report, we have spent 20% of our total budget appropriation and we are one-third of the way through the fiscal year.

Mr. Wilson presented the investment report through October 2018. The portfolio has a book value of \$12.3 million, with a market value of just under \$12.0 million, which is about where it's been all calendar year. For the calendar year, the internal rate of return is at 1.8%, the book yield is at 2.3%, and the market yield is just over 3.0%. The weighted average life has been extended out a bit to approximately 3 years. Interest earnings for the calendar year are just under \$200,000, and we can anticipate that number to be around \$225,000-\$230,000 by the end of the year.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting his 14 days of Mississippi State Fair duty with zero known claims and his Defensive Driving classes.

There was no Attorney General's Report.

Mrs. McElroy presented a list of 38 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Mrs. Goodwin made a motion to approve the list and Mrs. Williams seconded the motion, which passed by unanimous vote.

For the Claims Report, Mr. Donaldson provided a brief update on the status of the case of Shirley Harris vs. Mississippi Department of Public Safety and Trooper Zemek.

There being no further business to come before the Board, the meeting was adjourned.



STEVE EDDS, CHAIRMAN



MIKE CHANEY, BOARD MEMBER



LYNN FITCH, BOARD MEMBER



JIM HOOD, BOARD MEMBER

Laura D. Jackson By: Aubrey Leigh Hoover
LAURA D. JACKSON, BOARD MEMBER

GARY RIKARD, BOARD MEMBER

By: Marshall Fisher
MARSHALL FISHER, BOARD MEMBER
By: Anthony Schmidt

ATTENDANCE LIST

DEPARTMENT/COMPANY

Trinity Capital
TCB
DPS
TCB
TCB
DFA | TCB
MID
Butler Snow
CCMSI
AG
OST

Mississippi Tort Claims Board
Thursday, November 8, 2018 – 1:30 P.M.

AGENDA

- I.** Approval of Minutes
 - A. September 13, 2018

- II.** Old Business

- III.** New Business
 - A. 2019 Board Meeting Dates

- IV.** Financial Reports
 - A. Financial Report – Jim Logan
 - B. Investment Report – Jeff Wilson

- V.** Loss Control – Steve Milner

- VI.** Attorney General’s Report – Lea Ann McElroy

- VII.** Certificates of Coverage – Lea Ann McElroy

- VIII.** Claims Report – Bruce Donaldson

- IX.** Adjournment

Next meeting date and time: January 10, 2019 – 1:30 P.M.
Meeting location: Suite 138, Conference Center North, Woolfolk Building, Jackson, MS

**MINUTES OF
MISSISSIPPI TORT CLAIMS BOARD
THURSDAY, SEPTEMBER 13, 2018**

The Mississippi Tort Claims Board (Board) meeting was held at 1:30 p.m. in Room 138, Woolfolk State Office Building; 501 North West Street; Jackson, Mississippi.

The following members were present, constituting a quorum:

Edds, Steve; Chairman
Chaney, Mike; Insurance Commissioner
Goodwin, Aubrey Leigh, Deputy Director, MS Department of Finance & Administration,
Representing Executive Director Laura Jackson
Kelsey, Christina; Representing Insurance Commissioner Mike Chaney
Lanford, Mike; Deputy Attorney General, Representing Attorney General Jim Hood
Schmidt, Anthony; Representing Public Safety Commissioner Marshall Fisher
Williams, Michelle, Chief of Staff; Representing State Treasurer Lynn Fitch

Also present were:

Donaldson, Bruce; Tort Claims Board
Kelly, Trina; Tort Claims Board
Logan, Jim; Tort Claims Board
McElroy, Lea Ann; Tort Claims Board
Milner, Steve; Tort Claims Board
Smith, Dan; Attorney General's Office
Wells, Lisa; Cannon Cochran Management Services Inc.
Wilson, Jeff; Trinity Capital

The Chairman called the meeting to order.

Motion was made by Mrs. Williams to approve the minutes of the July 12, 2018, meeting. Mr. Lanford seconded the motion, which passed unanimously. Motion was made by Mrs. Williams to approve the minutes of the August 2, 2018, special called meeting. Mr. Lanford seconded the motion, which passed unanimously.

In Old Business, Mrs. McElroy provided Board members with a breakdown of the \$4.8 million assessment by agency, noting agencies which were incurring large increases and/or decreases. Invoices will go out by mid-October and agencies have the option to pay in full or pay half now and half January 1, 2019. This breakdown is provided for informational purposes only as the assessment was approved by the Board in July.

There was no New Business.

Mr. Logan presented a final financial summary for fiscal year 2018 through August 31, 2018. Our primary expenditure through the lapse period is for legal expense, and we paid just over \$10,000 during this lapse period. For the year, claim losses total \$3.2 million, legal expenses \$907,000, and other expenses \$17,600. Administrative expenses were \$987,535. We spent 76% of the total appropriation expending just over \$8.1 million including payments made from the TPA account. Mr. Logan also presented a brief financial report for fiscal year 2019 through August 31, 2018. We paid \$138,000 in claim payments, \$43,000 in legal expenses, and have total expenses of \$553,000. Mr. Logan advised that we have \$7.5 million in reserves and \$6.2 million in unencumbered funds. The Average Claim Paid for the period is just over \$1,000 and Average Reserve is \$12,655. Looking at the Budget Comparison Report, we have spent 6.5% of our total budget appropriation.

Mr. Wilson presented the investment report through August 2018. The portfolio has a book value of \$12.3 million, with a market value of just over \$12.0 million. For the calendar year, the internal rate of return is just under 1.5%, the book yield is at 2.25%, and the market yield is just under 3.0%. Interest earnings for the calendar year are at \$151,000. We can anticipate the portfolio to continue to earn between 2.25% - 2.50% for the next 6-9 months.

Mr. Milner provided members a report of his Loss Control activities since the last Board meeting, noting that the Mississippi State Fair opens October 3rd. He will be on duty from October 1-14, with the goal of zero claims for the 12-day run.

There was no Attorney General's Report.

Mrs. McElroy presented a list of 55 political subdivisions with the recommendation that all be approved for renewal of Certificates of Coverage. Mr. Chaney made a motion to approve the list and Mrs. Williams seconded the motion, which passed by unanimous vote.

[Commissioner Chaney left the meeting.]

For the Claims Report, Mr. Lanford made a motion to enter Closed Session. The motion was seconded by Mrs. Kelsey and passed. Mr. Lanford then made a motion to enter Executive Session for the purpose of discussing litigation in the case of Shirley Harris vs. Mississippi Department of Public Safety and Trooper Zemek. Mrs. Williams seconded the motion, which passed. A claim was discussed. Mrs. Williams made a motion to exit Executive Session, seconded by Mrs. Kelsey, which passed.

Mrs. McElroy noted that the November meeting will begin at 2:30 p.m. instead of 1:30.

There being no further business to come before the Board, the meeting was adjourned.



STEVE EDDS, CHAIRMAN


MIKE CHANEY, BOARD MEMBER

 
LYNN FITCH, BOARD MEMBER

JIM HOOD, BOARD MEMBER

 By: 
LAURA D. JACKSON, BOARD MEMBER

GARY RIKARD, BOARD MEMBER

By:  
MARSHALL FISHER, BOARD MEMBER

Mississippi Tort Claims Board 2019 Meeting Dates

January 10, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

March 14, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

May 9, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

July 11, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

September 12, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

November 14, 2019

Suite 138, Conference Center North, Woolfolk Building
Jackson, Mississippi at 1:30pm

MISSISSIPPI TORT CLAIMS BOARD
Combined Financial Report - Fiscal Year 2019
Fund 3308100000

-----CASH FLOW ANALYSIS-----

	September	October	Year-To-Date
REVENUE:			
Assessments Received	1,533,384.75	888,183.60	2,421,568.35
Interest	997.15	1,920.36	6,247.51
Investment Interest	22,994.07	24,709.58	75,364.07
Refunds	200.00	0.00	200.00
Transfer In Funds	0.00	500,000.00	750,000.00
Total Revenue	\$ 1,557,575.97	\$ 1,414,813.54	\$ 3,253,379.93
EXPENSES:			
Claim Losses - TCB and TPA	34,200.87	563,533.63	736,372.70
Legal Expenses - TCB and TPA	88,470.10	141,608.39	273,765.72
Other Expenses - TCB and TPA	880.00	812.50	3,112.30
Administrative Expenses Paid	120,085.89	55,306.20	294,964.04
Transfer of Funds - Out	0.00	500,000.00	750,000.00
Total Expenses	\$ 243,636.86	\$ 1,261,260.72	\$ 2,058,214.76
FUNDS ON HAND:			
Beginning Balance	\$ 13,756,160.47	\$ 15,070,099.58	
Revenue	1,557,575.97	1,414,813.54	
Expenses	(243,636.86)	(1,261,260.72)	
Adjustments	0.00	0.00	
Total Funds	\$ 15,070,099.58	\$ 15,223,652.40	
Cash in Treasury	\$ 2,598,102.08	\$ 2,774,830.66	
Investment in Treasury	\$ 12,282,062.10	\$ 12,306,771.68	
TPA Trustmark Bank Balance	189,935.40	142,050.06	
Total Funds By Account	\$ 15,070,099.58	\$ 15,223,652.40	
Less Reserves	\$ 7,218,382.02	\$ 6,755,713.96	
Unencumbered Funds Available	\$ 7,851,717.56	\$ 8,467,938.44	

-----CLAIMS/RESERVES DETAIL (Year-To-Date)----

	MTCB	CCMSI	TOTAL
Claims - Payments	\$ 51,299.58	\$ 685,073.12	\$ 736,372.70
Claims - Legal Expenses	258,203.66	15,562.06	273,765.72
Claims - Other Expenses	-	3,112.30	3,112.30
Total Paid Out to Date	\$ 309,503.24	\$ 703,747.48	\$ 1,013,250.72
OUTSTANDING RESERVES	466,238.75	6,289,475.21	6,755,713.96
Total Claims & Reserves	\$ 775,741.99	\$ 6,993,222.69	7,768,964.68
Number of Claims Created	217	131	348
Number of Claims Paid	122	109	231
Total Open Claims	221	328	549
AVG. CLAIM \$ / # CLAIMS PAID	\$420.49	\$6,285.07	\$ 3,187.76
AVG. RESERVE / OPEN CLAIMS	\$2,109.68	\$19,175.23	\$ 12,305.49

NOTE: Information represents combined operations for Treasury Fund 3080 and the Trustmark account (utilized by CCMSI).

MISSISSIPPI TORT CLAIMS BOARD

Budget Comparison Report

Treasury Fund 3308100000

Fiscal Year 2019

Expenses:	Total Budget	September 2018	October 2018	Year To Date Expenditures	Ending Balance	Percent Expended
A1-Salaries	\$ 565,028.00	\$ 46,869.97	\$ 46,446.87	\$ 186,654.66	\$ 378,373.34	33.03%
A2-Travel	4,000.00	1,441.80	0.00	1,441.80	2,558.20	36.05%
B-Contractual	1,650,000.00	158,769.43	150,180.32	363,076.31	1,286,923.69	22.00%
C-Commodities	7,000.00	(34.46)	280.40	1,924.38	5,075.62	27.49%
D2-Capital Outlay	2,000.00	0.00	0.00	0.00	2,000.00	0.00%
E-Subsidies	4,300,000.00	5,716.42	516,451.84	801,299.58	3,498,700.42	18.63%
SUBTOTAL	<u>\$ 6,528,028.00</u>	<u>\$ 212,763.16</u>	<u>\$ 713,359.43</u>	<u>\$ 1,354,396.73</u>	<u>\$ 5,173,631.27</u>	<u>20.75%</u>
TPA Expended		<u>30,873.70</u>	<u>547,901.29</u>	<u>703,818.03</u>		
TOTAL Expended		<u>\$ 243,636.86</u>	<u>\$ 1,261,260.72</u>	<u>\$ 2,058,214.76</u>		

TRINITY

TRINITY CAPITAL INVESTORS

November 1, 2018

Ms. Lea Ann McElroy
Mississippi Tort Claims Board
P O Box 267
Jackson, MS 39205-0267

Re: October 2018 Portfolio Highlights

Total Portfolio	Book Value	\$12,337,576
	Market Value	\$11,972,545
2018 Internal Rate of Return		1.80%
Current Portfolio Book Yield		2.30%
Market Yield		3.10%
Weighted Average Life		Approximately 3 years
YTD 2018 Earnings		198,670
Accrued Interest		53,636

1675 Lakeland Drive Suite 400 Jackson, MS 39216
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STATE OF MISSISSIPPI
GOVERNOR PHIL BRYANT

MISSISSIPPI TORT CLAIMS BOARD
STEPHEN C. EDDS, CHAIRMAN

MIKE CHANEY, Commissioner
Insurance Department
MARSHALL L. FISHER, Commissioner
Department of Public Safety
LYNN FITCH, Treasurer
Department of Treasury

JIM HOOD, Attorney General
Office of Attorney General
LAURA D. JACKSON, Executive Director
Department of Finance and Administration
GARY RIKARD, Executive Director
Department of Environmental Quality

MEMORANDUM

TO: Mississippi Tort Claims Board
FROM: Steve Milner
DATE: November 8, 2018
RE: Loss Control Report

Since the last Board Meeting, loss control services for the Tort Claims Board include:

- 14 Days State Fair Duty
 - 1 State Fair Safety Planning Meeting
 - 5 Fire Drills
 - 3 Floor Monitor Training Classes
 - 1 MEMA Meeting
 - 1 Defensive Driving Classes
 - 3 Ride A Longs
- 14 State Property Inspections



STATE OF MISSISSIPPI
GOVERNOR PHIL BRYANT

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Office of Attorney General
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Department of Finance and Administration
GARY RIKARD, Executive Director
Department of Environmental Quality

MEMORANDUM

TO: Mississippi Tort Claims Board
FROM: Lea Ann McElroy
DATE: November 8, 2018
RE: Political Subdivisions – Certificates of Coverage

RECOMMENDATION: Staff recommends approval of 38 political subdivisions shown on attached list.

MISSISSIPPI TORT CLAIMS BOARD

Thursday, November 8, 2018

Political Subdivisions Recommended for Renewal of Certificate of Coverage

AAA Ambulance Service
Adams County Board of Supervisors
Amory School District
Baldwyn Public School District
Bassfield Fire Department
Cedar Hill Volunteer Fire Department
Clay County Board of Supervisors
D'Iberville City Clerk
Greenwood-Leflore Public Library
Grenada School District
Hinds County Fire District
Homewood Volunteer Fire Department
Itawamba County School Board
Jackson County Fire District
Jackson Municipal Airport Authority
Jones County Fire Council, Inc.
Jones County School District
Lee County School District
Madison County School District
Meridian Community College
Mississippi Coast Transit Authority
Mount Olive Volunteer Fire and Rescue, Inc.
Northwest Mississippi Community College
Noxubee County School District
Oktoberfest County Volunteer Fire Departments
Pontotoc City School District
Pontotoc County School District
Poplarville Volunteer Fire Department
Rankin County Fire Services
Region XII Commission on Mental Health and Retardation
Simpson County Board of Supervisors
Tupelo Public School District
Union County Board of Supervisors
Union Public School District
Warren County Fire Service
Wayne County Board of Supervisors
Webster County Fire District
West Jackson County Utility District

TOTAL 38